

Commonwealth of Kentucky
Equipment Leases

General

Review all current leases (generally coded E611) and all rentals (generally coded E223, E224, and E225) and complete form AFR 55. Include those contracts where the intent is to continue the lease into the next fiscal year, which under Kentucky law the contract may terminate June 30.

Do NOT complete AFR 55 for copiers leased off the catalog master agreement as these will be provided by the vendor. However, Form AFR 55 is to be completed for all other leases and rentals when the asset has a value equal to or greater than \$5,000.

The **Returned Copiers Worksheet (AFR 55A)** is to be completed if any copiers being leased off the catalog master agreement were returned to vendors during FY08

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Detailed Instructions
AFR 55
Lease Obligation Worksheet

NOTE: A separate worksheet is required for each lease agreement with payments made against it during the current fiscal year.

1. Enter the date the form is completed.
2. Enter the official department name.
3. Enter the cabinet and department number.
4. Enter the fund type name. (Fund making the monthly payments.)
5. Enter the four-digit fund type number.
6. Enter the vendor name (vendor number is not necessary).
7. Enter the description of the asset. Use manufacturer's name and machine model number if known.
8. Enter the equipment tag numbers for all assets acquired by the lease. If equipment is not tagged, enter the serial number. If additional space is needed, attach a separate sheet.
9. Enter the cost of the asset if it were purchased now, instead of leasing/renting.
10. Enter the Catalog Master Agreement Number or Master Agreement number.
11. Enter the number of years the asset is to be leased/rented.
12. Enter the date the first payment was due.
13. Enter the amount of each payment and the frequency of the payment: monthly, quarterly, or annually.
14. Enter the number of payments made in the current fiscal year, including payments posted during the closeout period.
15. Enter the number of payments made to date, including payments made this fiscal year and all payments made in previous fiscal years.

16. If the lease/rental agreement contains a purchase option, check “yes”. If the agreement does not contain a purchase option, check “no”.
17. If item 16 was checked “yes”, complete item 17. Check “yes” if the purchase option was exercised during the year, and check “no” if the purchase option was not exercised during the year.
18. Enter the document number, object, and amount for each payment made during the current fiscal year.
19. Complete for **ALL** funds, when the lease agreement contains a trade-in allowance. List the Fair Value of the asset(s) traded in. Fair Value is the selling price expected to be received if the asset was sold to an unrelated purchaser. Enter the tag number(s) for assets traded in.
20. Enter the name of the person preparing this form.
21. Enter the phone number of the person preparing this form.

Detailed Instructions

AFR 55A

Returned Copiers

1. Enter the date the form is completed.
2. Enter the official department name.
3. Enter the cabinet and department number.
4. Enter the fund type name. (Fund making the monthly payments.)
5. Enter the four-digit fund type number.
6. Enter the vendor name (vendor number is not necessary).
7. Enter the serial number of the item returned.
8. Enter the location including street and city.
9. Enter the date the item was returned (Returns include both end of lease term and early terminations).
10. Enter the monthly lease payment (Do not include cost of copies).
11. Enter the name of the person preparing this form.
12. Enter the phone number of the person preparing this form.